

settlement. This accords with past policy and practice with respect to the suspension of sanctions regimes.

4. During this reporting period, OFAC issued two specific licenses regarding transactions pertaining to the FRY (S&M) or property in which it has an interest. Specific licenses were issued (1) to authorize U.S. creditors to exchange a portion of blocked unallocated FRY (S&M) debt obligations for the share of such obligations assumed by the obligors in the Republic of Bosnia and Herzegovina; and (2) to authorize certain financial transactions with respect to blocked funds located at a foreign branch of a U.S. bank.

During the past 6 months, OFAC has continued to oversee the maintenance of blocked FRY (S&M) accounts and records with respect to: (1) liquidated tangible assets and personality of the 15 blocked U.S. subsidiaries of entities organized in the FRY (S&M); (2) the blocked personality, files, and records of the two Serbian banking institutions in New York previously placed in secure storage; (3) remaining blocked FRY (S&M) tangible property, including real estate; and (4) the 5 Yugoslav-owned vessels recently unblocked in the United States.

On September 29, 1997, the United States filed Statements of Interest in cases being litigated in the Southern District of New York: *Beogradska Banka A.D. Belgrade v. Interenergo, Inc.*, 97 Civ. 2065 (JGK); and *Jugobanka A.D. Belgrade v. U.C.F. International Trading, Inc. et al.*, 97 Civ. 3912, 3913 and 6748 (LAK). These cases involve actions by blocked New York Serbian bank agencies and their parent offices in Belgrade, Serbia, to collect on defaulted loans made prior to the imposition of economic sanctions and dispensed, in one case, to the U.S. subsidiary of a Bosnian firm and, in the other cases, to various foreign subsidiaries of a Slovenian firm. Because these loan receivables are a form of property that was blocked prior to December 27, 1995, any funds collected as a consequence of these actions would remain blocked and subject to United States jurisdiction. Defendants asserted that the loans had been made from the currency reserves of the central bank of the former Yugoslavia to which all successor states had contributed, and that the loan funds represent assets of the former Yugoslavia and are therefore subject to claims by all five successor states. The Department of State, in consultation with the Department of the Treasury, concluded that the collection of blocked receivables through the actions by the bank and the placement of those collected funds into a blocked account did not prejudice the claims of successor states nor compromise outstanding claims on the part of any creditor of the bank, since any monies collected would remain in a blocked status and available to satisfy obligations to United States and foreign creditors and other claimants—in-

cluding possible distribution to successor states under a settlement arising from the negotiations on the division of assets and liabilities of the former Yugoslavia. On March 31, 1998, however, the Court dismissed the claims as nonjustifiable. Another case, *D.C. Precision, Inc. v. United States, et al.*, 97 Civ. 9123 CRLC, was filed in the Southern District of New York on December 10, 1997, alleging that the Government had improperly blocked Precision's funds held at one of the closed Serbia banking agencies in New York.

5. Despite the prospective authorization of transactions with the FRY (S&M), OFAC has continued to work closely with the U.S. Customs Service and other cooperating agencies to investigate alleged violations that occurred while sanctions were in force. On February 13, 1997, a Federal grand jury in the Southern District of Florida, Miami, returned a 13-count indictment against one U.S. citizen and two nationals of the FRY (S&M). The indictment charges that the subjects participated and conspired to purchase three Cessna propeller aircraft, a Cessna jet aircraft, and various aircraft parts in the United States and to export them to the FRY (S&M) in violation of U.S. sanctions and the Regulations. Timely interdiction action prevented the aircraft from being exported from the United States.

Since my last report, OFAC has collected one civil monetary penalty totaling nearly \$153,000 for violations of the sanctions. These violations involved prohibited payments to the Government of the FRY (S&M) by a U.S. company.

6. The expenses incurred by the Federal Government in the 6-month period from November 30, 1997, through May 29, 1998, that are directly attributable to the declaration of a national emergency with respect to the FRY (S&M) and the Bosnian Serb forces and authorities are estimated at approximately \$360,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in OFAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, and the Department of Commerce.

7. In the last 2 years, substantial progress has been achieved to bring about a settlement of the conflict in the former Yugoslavia acceptable to the parties. Resolution 1074 terminates sanctions in view of the first free and fair elections to occur in the Republic of Bosnia and Herzegovina, as provided for in the Peace Agreement. In reaffirming Resolution 1022, however, Resolution 1074 contemplates the continued blocking of assets potentially subject to conflicting claims and encumbrances until provision is made to address them under applicable law, including claims of the other successor states of the former Yugoslavia. The resolution of the crisis and conflict in

the former Yugoslavia that has resulted from the actions and policies of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and of the Bosnian Serb forces and the authorities in the territory that they controlled, will not be complete until such time as the Peace Agreement is implemented and the terms of Resolution 1022 have been met. Therefore, I have continued for another year the national emergency declared on May 30, 1992, as expanded in scope on October 25, 1994, and will continue to enforce the measures adopted pursuant thereto.

I shall continue to exercise the powers at my disposal with respect to the measures against the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and the Bosnian Serb forces, civil authorities, and entities, as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, July 16, 1998.

ADJOURNMENT TO MONDAY, JULY 20, 1998

Mr. HULSHOF. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. HULSHOF. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

(Mr. FOLEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

(Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HANNIBAL-LAGRANGE COLLEGE— 140TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. HULSHOF) is recognized for 5 minutes.

Mr. HULSHOF. Mr. Speaker, I rise today to mark the anniversary of an institution of higher learning in my district which this year celebrates 140 years of service in Northeast Missouri.

Hannibal-LaGrange College has provided quality Christian education to thousands of students while facing tremendous obstacles along its journey, a journey through which God's guiding hand has been evident.

The college opened its doors on September 15 of 1858. First located 30 miles to the north of its present location in LaGrange, Missouri, the LaGrange Male and Female Seminary was founded by the Wyaconda Baptist Association to instill character-building principles and Christian ideals in its students.

At the helm of the vessel was William Ellis, who served as the college's first president. Ellis, who reached the tender age of 24 years the day before classes began that first year, served admirably in his duties until Union troops took over the college's facilities in 1862 during the War between the States.

When the institution reopened in 1866, the new President, Dr. Joshua Flood Cook, certainly faced a daunting task. Building repairs were necessary, books and equipment were needed for the classrooms, the hiring of faculty was required, and community support and confidence had to be restored.

Dr. Cook began remedying these problems immediately and over the next 30 years he served as president Dr. Cook worked as a tireless servant moving the college forward in a manner that has reached unequalled levels of success.

In late 1927, the Hannibal Chamber of Commerce began an effort to bring the LaGrange College to Hannibal, Missouri. The following year, the institution moved south and has for 70 years been carrying out its place in history. The college's new move was mixed with a salute to our Nation's history as well. In 1932, to mark the 200th anniversary of George Washington's birth, the daughters of the American Revolution secured a number of trees from Mount Vernon, Virginia, the home of our Nation's first president. Mr. Speaker, I was recently on campus and can assure you, these trees are still standing tall among the college's entrance drive today.

All continued well for the college until 1973, when inflation and other factors put the college's future in jeopardy. When the campus was threatened with an imminent closing, community

leaders, area residents, and Hannibal-LaGrange personnel reacted quickly and decisively, raising \$85,000 to keep the college doors open. Again, faced with possible closure, Hannibal-LaGrange received a tremendous blessing in order to remain open.

However, the most challenging obstacle was yet to come. In the summer of 1989, a small fire in the college's cafeteria soon engulfed the campus' main facilities, including the administration building, auditorium, and gymnasium. As the fire blazed through the night and the early morning hours, doubts about the college's future began to surface in even the heartiest of souls. By daylight only charred remains of the structures existed.

Encouraged by his faith in God, then-President Dr. Paul Brown, as well as college personnel and supporters, began a massive effort to rebuild what was temporarily destroyed. As classes and assemblies were held that fall in tents and in trailers and dormitory basements, the campus began to take shape.

In 1992, following the construction of a new sports complex, cafeteria and computer center, the new administration building was dedicated under the leadership of Dr. Brown and current President, Dr. Woodrow Burt. Hannibal-LaGrange has certainly become "a crown of beauty instead of ashes."

This quote from Isaiah, chapter 61, verse 3, was placed on the cornerstone of the administration building, and today the college is continuing its vision as Dr. Burt and development officials are spearheading an effort to build a performance center for the institution's fine arts program. A new dormitory will be ready for the ever-increasing student population this fall which, by the way, Mr. Speaker, last year the student population not only came from northeast Missouri but New Hampshire, Texas, California and as far away as the West Indies and the country of Slovakia.

In conclusion, Hannibal-LaGrange has persevered and has produced quality alumni. Thousands have passed through the corridors of Hannibal-LaGrange, each serving as a witness to the impact the college has had on their lives.

Mr. Speaker, I congratulate Hannibal-LaGrange College on providing 140 years of Christian education. May God continue to bless this fine institution for many years to come.

THE BALKANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, I want to take this opportunity to talk about something that is happening in the Balkans, and that is, unfortunately, ethnic cleansing rearing its ugly head once again.

Just a few minutes ago, we heard the President of the United States say that

he was going to maintain sanctions on Serbia because of the way they have been treating their population. I applaud that. But I think it is time for us in the Congress to speak out forcefully and also to look at this in its totality.

We went through a situation in Bosnia just a few short years ago where Slobodan Milosevic, the leader of Serbia, unleashed ethnic cleansing, Serbian nationalism, 200,000 people were dead, and it was something that the world just wrang its hands and did nothing until the United States grabbed the bull by the horns.

We were able to put an end to the carnage in Bosnia. Unfortunately, history is repeating itself in an area called Kosovo, where 2 million ethnic Albanians live. They constitute 92 percent of the population.

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I say Kosova not Kosovo, as many people say, because the Albanians living there call it Kosova, with an "A." And if it is good enough for 92 percent of the population to speak that way and to say Kosova, that is good enough for me.

I have been to Kosova a number of times. The people there live under total oppression. They have no rights; no political rights, no human rights, no economic rights. Albanians have been summarily fired. Communities are 80 percent and higher in terms of unemployment. It is just a people under occupation.

There have been many, many talks, many, many discussions, and the United States has been meeting with a group called a contact group, which contains six countries, Britain, the United States, Italy, Germany, France and Russia. And the contact group has basically been rendered impotent because Russia is always standing behind Slobodan Milosevic, its traditional Serbian ally. So when we try to put sanctions in with teeth, they are always watered down.

NATO, just recently, underwent all kinds of flights to show Milosevic that, if need be, NATO means business. But so far it has been empty words. The stated policy for the United States and the administration and of NATO in the West has been that the Albanians in Kosova, the Kosovars, ought to have some kind of autonomy within Yugoslavia, within Serbia. Autonomy is something they had until 1989 when Slobodan Milosevic summarily threw it out the window.

The former Yugoslavia, in those days, had a lot of different components other than the Serbs. It had the Croats, the Slovenians, the Macedonians and the Bosnians, and the Albanians, in Kosova the Vojvodinas. They had all kinds of different components. Today, rump Yugoslavia is dominated by the Serbs, containing just Serbia and Montenegro, and the Albanians could never get a fair shake in an equation such as that.

So the United States' policy and the West's policy and NATO's policy that